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RUEHGB/AMEMBASSY BAGHDAD PRIORITY 0956
RUEHEG/AMEMBASSY CAIRO PRIORITY 3755
RUEHHI/AMEMBASSY HANOI PRIORITY 0016
RUEHNE/AMEMBASSY NEW DELHI PRIORITY 0114
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RUCNDT/USMISSION USUN NEW YORK PRIORITY 0465

C O N F I D E N T I A L DAMASCUS 000792

SIPDIS

DEPARTMENT FOR NEA/ELA, NEA/I, PRM/ANE

E.O. 12958: DECL: 11/09/2018

TAGS: PHUM PREF PGOV IZ SY

SUBJECT: SARG PREVENTING DISTRIBUTION OF WFP RICE;

PRM-FUNDED SHIPMENT CAUGHT UP

REF: EMAIL TO NEA/ELA 19 OCTOBER 2007

Classified By: A/DCM Tim Pounds for reasons 1.5 b and d.

11. (C) SUMMARY: SARG officials at the Syrian port of Lattakiya are holding a portion of a World Food Program (WFP) shipment of Indian rice, purchased with PRM funds and intended for distribution to Iraqi refugees in Syria. The Syrian government claims the rice is contaminated with small rocks and rodent feces. WFP is working with the rice distributor to replace the damaged portion of the shipment and to re-test the shipment for contamination. According to WFP, the SARG appears wholly unaware that this shipment is USG-funded. The SARG has also blocked distribution of a second 8,000 Metric Ton rice shipment from Vietnam funded by the Italian government because it exceeds the allowable percentage of cracked kernels. WFP has raised the issue with the Syrian MFA and is considering whether to engage WFP Rome. A third 9,000 MT shipment of rice is due to arrive in Syria November 26, but WFP warns the ship will not attempt to land unless the current disputes are resolved. End Summary

## PRM-Funded U.S. Rice Partially Off Loaded

- 12. (C) According to WFP Syria Director Pippa Bradford, WFP has managed to facilitate off-loading and distribution of approximately one half (3,000 metric tons) of the 6,000 metric tons of the U.S.-source rice in question. An initial sample from the shipment taken and tested by SARG authorities from the Ministry of Economy returned a one part per 300 contamination level, rocks and feces combined. (Note: Industry standard is one part per 1000.) A second shipment sample taken in the presence of the rice distributor (who flew in from London), WFP and Ministry of Economy officials turned up a contamination of one part per 100,000.

  Nevertheless, the Ministry of Economy (responsible for testing) and the Ministry of Finance (responsible for Customs administration) refuse to accept the second sample results.

  Nor have they accepted the results from a third sample, which also turned up a one part per 100,000 contamination level.
- 13. (C) Bradford received a November 5 letter from the Ministry of Economy stating the shipment was being rejected on the grounds of the first sample results. She told the Charge that approximately \$5 million worth of PRM-funded rice was presently being held in port. Bradford had been unable to determine who is really behind blockage of this shipment.

Despite ongoing contacts with Deputy Foreign Minister Miqdad, Bradford said she had been unsuccessful in resolving the

SARG Blocks Unloading of Second Shipment

 $\underline{\P}4$ . (C) On November 6, the WFP received a new shipment of 8,000 metric tons of rice at the port of Lattakia, donated by the Italian government originating from Vietnam. Bradford judged that off loading and distribution of rice from this shipment was time critical, as WFP distribution warehouses were out of rice due to problems with the PRM-funded shipment. Bradford told us she had organized a middle-of-the-night off-loading and distribution mission for this reason. As the off loading and distribution mission was underway, the SARG officials from the Ministry of Economy arrived on site. (By Bradford's account, this occurred just after midnight on November 7.) Syrian officials alleged the Italian shipment of Vietnamese rice contained 12-14 percent cracked kernels and ordered WFP warehouses sealed. (Note: The Syrian standard is 10 percent cracked kernels per shipment.) They directed loaded trucks back to the port with instructions to re-load the rice back onto the ship. The rice is presently sitting in port, at a cost to WFP of \$10,000 per day. According to Bradford, the SARG Deputy Minister of the Economy later visited the sealed warehouses with media in tow, though only one news item on the seizure has appeared in the Syrian news media to date.

## 15. (C) Bradford told us the Italian shipment contains

first-quality rice with a cracked kernel content of no more than ten percent. She said that WFP normally purchases rice with a 25 percent cracked kernel content, as the Deputy Prime Minister had previously issued WFP with a blanket waiver of the Syrian cracked kernel regulations. (Note: Kernel quality has little to do with the nutritional value of the rice, which is how WFP was able to secure written guarantees from the SARG to import rice below Syrian quality standards.) Nevertheless, WFP had ordered rice with only ten percent cracked kernel for this shipment, and implied that she has the paperwork to prove it. On November 9, Bradford received word from the Ministry of Economy that the SARG stood by its estimate that the Italian shipment contains an unacceptable percentage of cracked kernel and that the previous waiver "does not apply."

- 16. (C) Bradford said she was "mystified" by the "incomprehensible" SARG actions. A political motive was not clear, she explained, as the SARG remained unaware the first shipment was USG-funded, and the second shipment came from the Italians. She speculated the SARG might be upset by the UN's muted response to the alleged October 26 U.S. incursion into Syrian territory.
- 17. (C) Another theory, according to Bradford, was that Syrian rice distributors may be unhappy with the amount of rice coming into Syria, even though it was destined for distribution to Iraqi refugees. However, the amount of rice imported by WFP into Syria represented "a drop in the bucket" of total Syrian rice imports. She mentioned WFP had been asked for a \$500 bribe to facilitate the off-loading of the PRM-funded rice shipment and had declined to pay. However, she did not think this alone could have prompted the SARG's rejection. One possible player, she said, was the Syrian-Arab Red Crescent (SARC), a quasi-governmental body in Syria. She noted that the SARC leadership was "not great friends" with WFP at the moment, and that they were "trying to block" the WFP voucher program. She said that she "probably angered" the SARC by taking the voucher issue to a high level.

- 18. (C) A third, 9,000 metric ton shipment of rice is due to arrive in Lattakia on November 26. Bradford said this was a multi-donor shipment that included contributions from the United Kingdom, Canada and the UN. She said that she would not allow the ship to dock unless outstanding issues with the two previous shipments had been cleared. Bradford said she was ready to ask the WFP in Rome to raise the issue to a higher level, indicating this could happen as early as November 10.
- $\P 9$ . (C) In the interim, WFP is distributing vouchers for rice to refugees. Bradford said several warehouses would begin distributing food boxes without rice to refugees on November <u>¶</u>10.
- 110. (C) Comment: Given multiple layers of SARG bureaucracy, corruption, and incompetence involved in regulating food shipments, we are not yet ready to conclude the SARG's hold-up is part of a SARG coordinated political response. WFP has approached us previously on SARG claims of contaminated food meant for Iraqi refugees, and in at least one case the Ministry of Agriculture did not back down (reftel). As in the past, already weary donors will probably react negatively to SARG behavior and be even less likely to make future contributions if Syria is unwilling to accept food donations. Additionally, the obstruction of critical aid undercuts Syrian complaints that the international community is doing too little to support Iraqi refugees in Syria.

CONNELLY